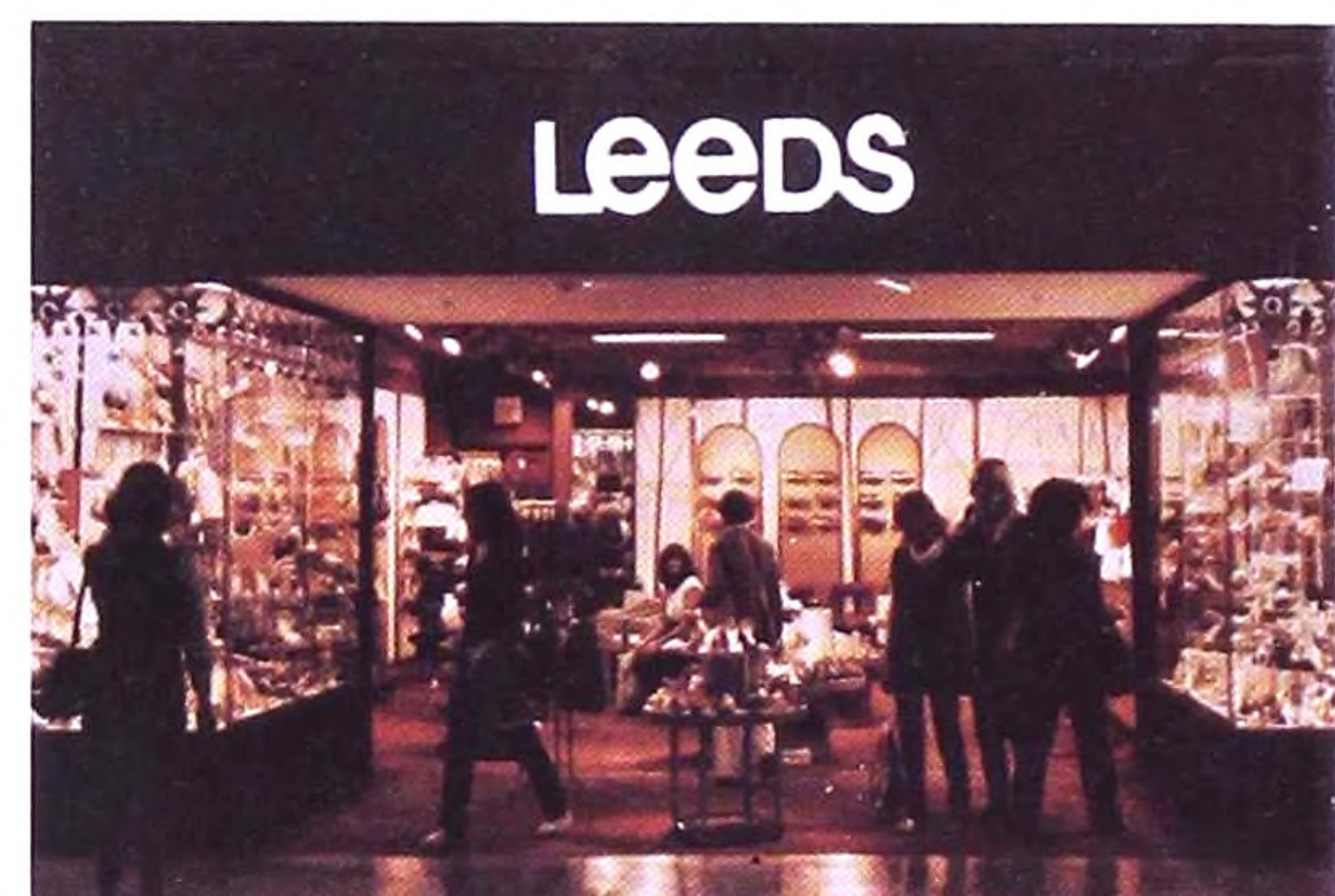
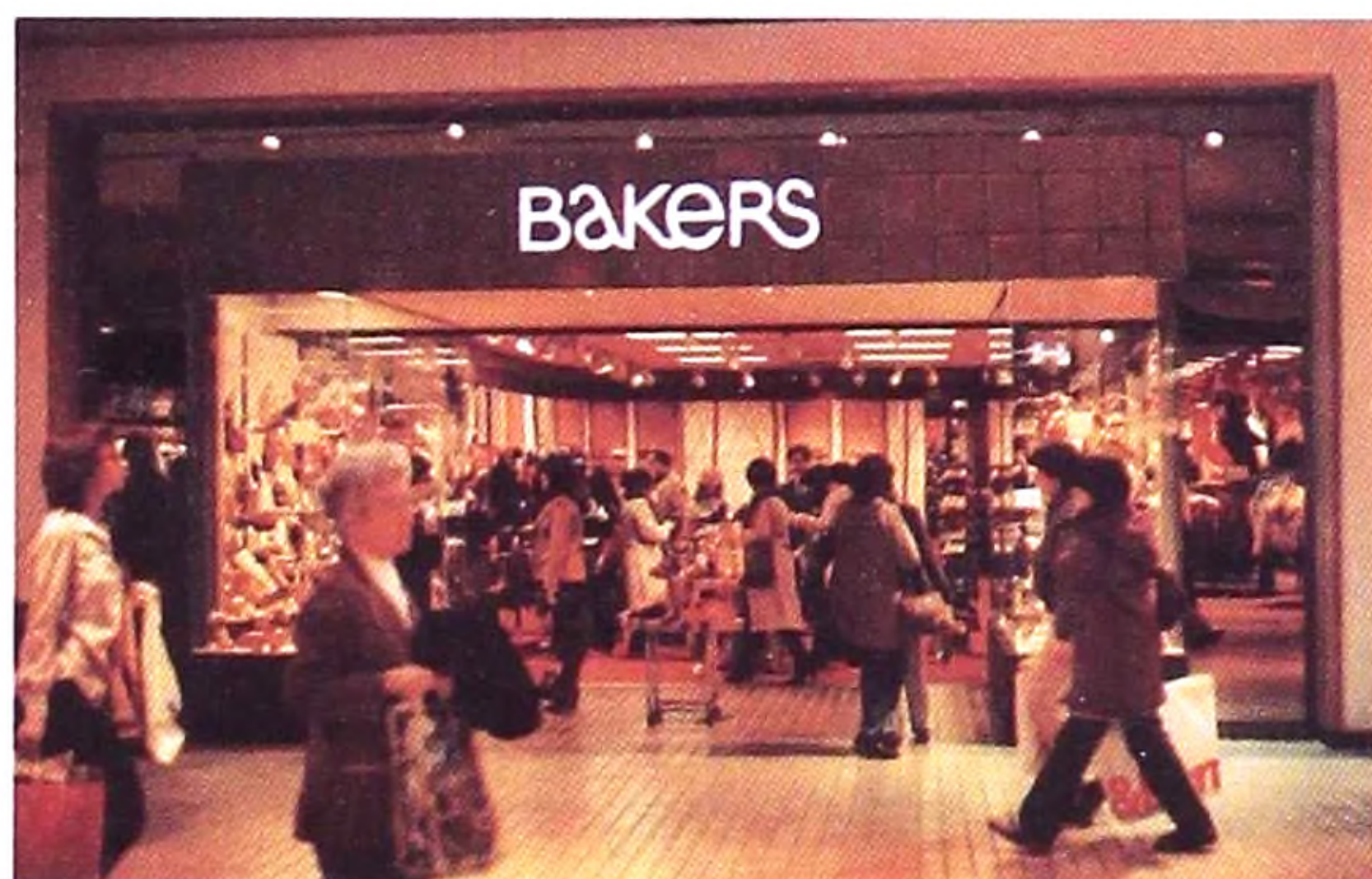
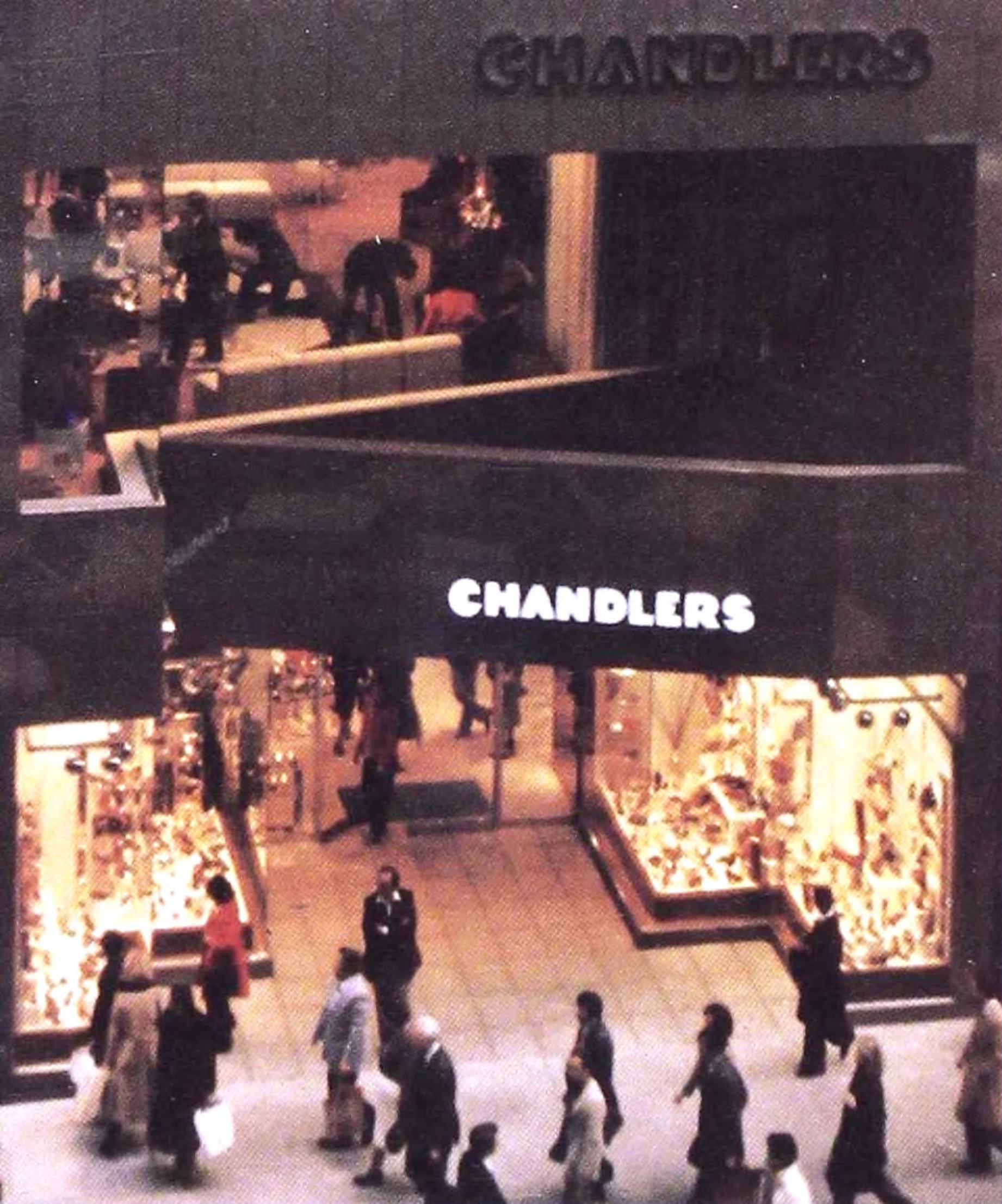


BAKERS·OAK TREE·CHANDLERS·LEEDS·JEANS WEST
FASHION CONSPIRACY·THE HANDYMAN·THE WILD PAIR
JEANS WEST·THE WILD PAIR·SIZE 5-7-9 SHOPS·BURTS
THE HANDYMAN·JOAN BARI·JEANS WEST·OAK TREE
SIZE 5-7-9 SHOPS·FASHION CONSPIRACY·CHANDLERS
OAK TREE·LEEDS·CHANDLERS·JEANS WEST·BAKERS
THE WILD PAIR·BAKERS·SIZE 5-7-9 SHOPS·JOAN BARI
CHANDLERS·SIZE 5-7-9 SHOPS·FASHION CONSPIRACY
LEEDS·THE WILD PAIR·BURTS·BAKERS·CHANDLERS
JOAN BARI·JEANS WEST·OAK TREE·THE HANDYMAN
BURTS·FASHION CONSPIRACY·THE HANDYMAN·LEEDS
BAKERS·OAK TREE·CHANDLERS·LEEDS·JEANS WEST
FASHION CONSPIRACY·THE HANDYMAN·THE WILD PAIR
JEANS WEST·THE WILD PAIR·SIZE 5-7-9 SHOPS·BURTS
THE HANDYMAN·JOAN BARI·JEANS WEST·OAK TREE
SIZE 5-7-9 SHOPS·FASHION CONSPIRACY·CHANDLERS

EDISON BROTHERS STORES INC. · 1981 ANNUAL REPORT

OAK TREE·LEEDS·CHANDLERS·JEANS WEST·BAKERS
THE WILD PAIR·BAKERS·SIZE 5-7-9 SHOPS·JOAN BARI
CHANDLERS·SIZE 5-7-9 SHOPS·FASHION CONSPIRACY
LEEDS·THE WILD PAIR·BURTS·BAKERS·CHANDLERS
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BURTS·FASHION CONSPIRACY·THE HANDYMAN·LEEDS
BAKERS·OAK TREE·CHANDLERS·LEEDS·JEANS WEST



The Five Company Divisions

EDISON BROTHERS SHOE STORES

1,197 stores and departments.

Shoe stores: Chandlers, Bakers, Leeds, Burts, The Wild Pair;
Leased shoe departments: Joan Bari Boutiques

THE HANDYMAN

80 stores. Do-it-yourself hardware
and building materials

JEANS WEST/OAK TREE

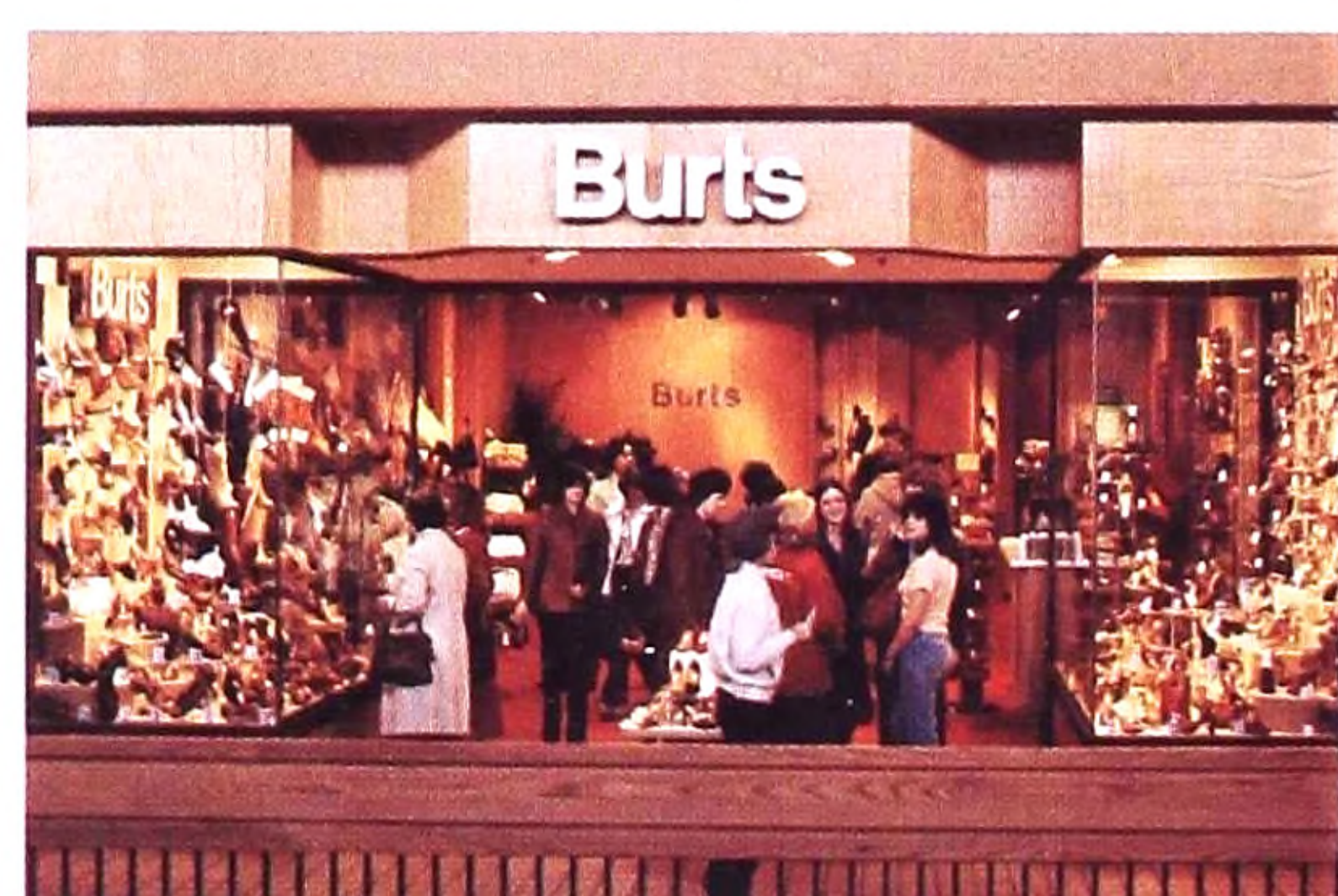
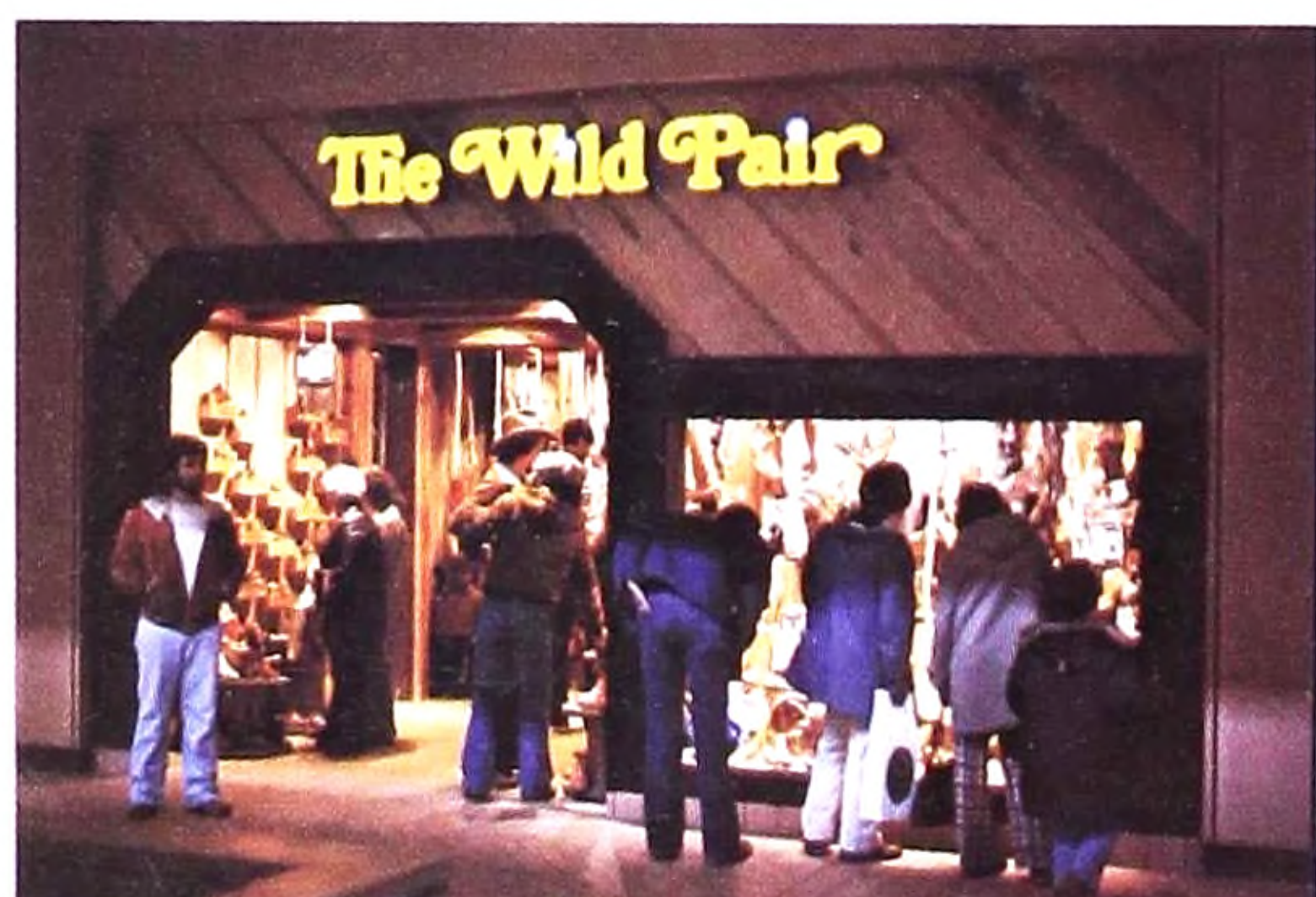
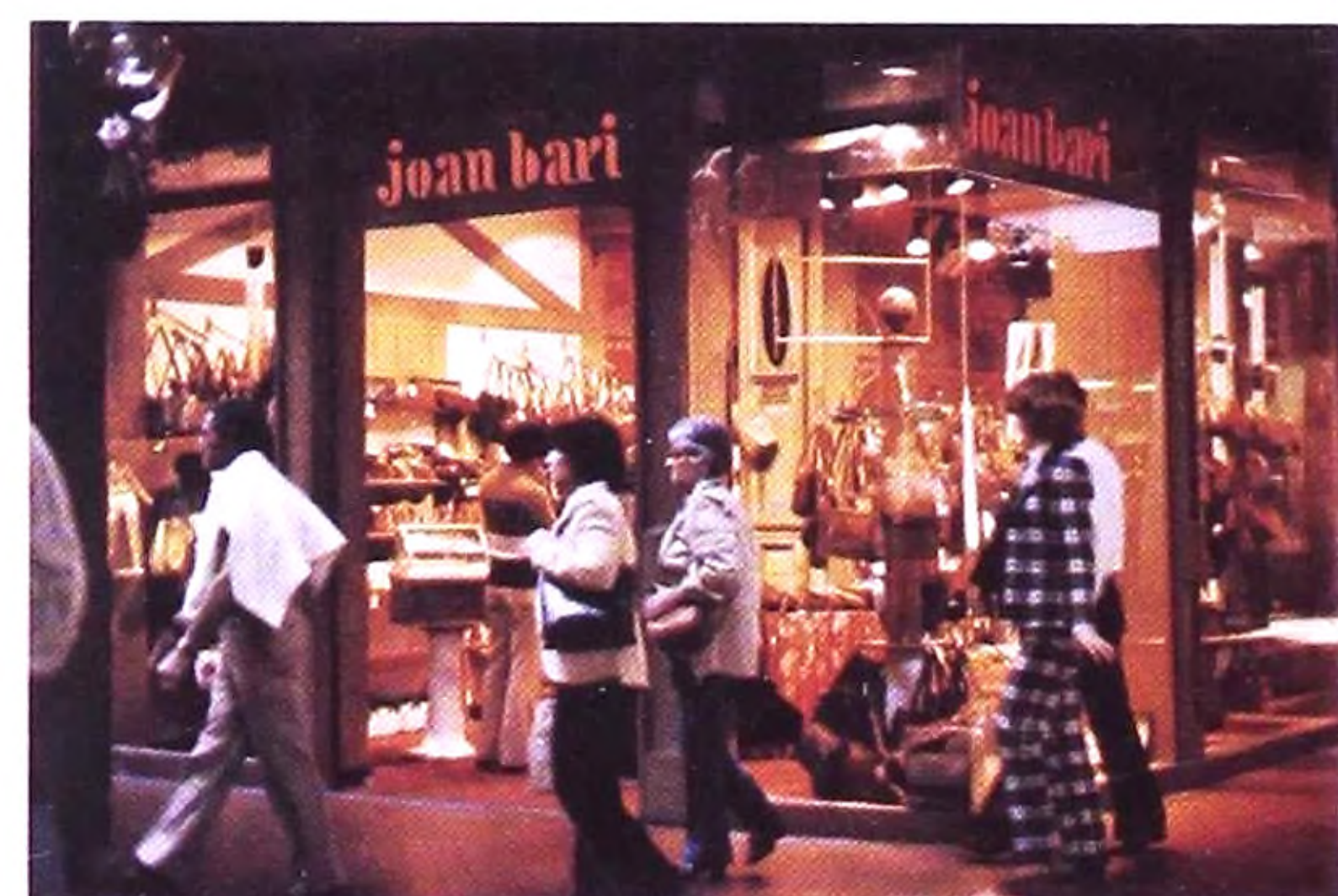
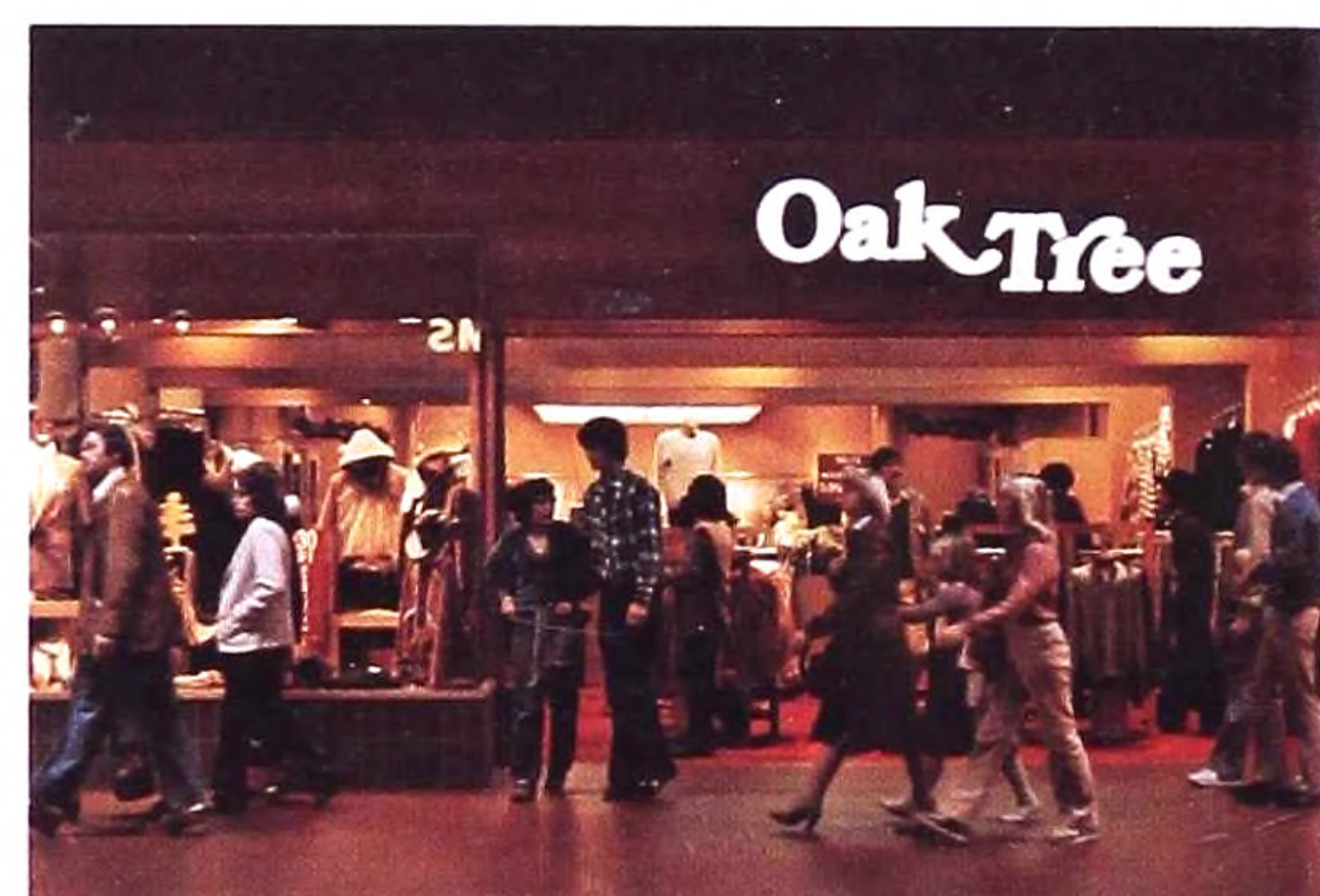
357 stores. Jeans West: young people's casual clothing
Oak Tree: contemporary men's clothing

SIZE 5-7-9 SHOPS

206 stores. Small-size junior clothing

FASHION CONSPIRACY

274 stores. Young women's and juniors'
clothing and accessories



Edison Brothers Stores Inc.

Founded in 1922 by Samuel B. Edison □ Harry Edison □ Mark A. Edison □ Irving Edison □ Simon Edison

THE YEAR IN BRIEF

	1981	1980	% Change
Net sales	\$951,436,000	\$853,389,000	+11%
Net income	43,654,000	42,457,000	+3%
Total cash dividends	15,706,000	15,308,000	+3%
Total taxes	56,646,000	52,467,000	+8%
	Per Share	Per Share	
Net income	\$ 3.84	\$ 3.68	+4%
Common stock dividends	1.38	1.32	+5%
Total taxes	4.99	4.55	+10%
Common stockholders' equity	23.28	20.95	+11%
Working capital	\$127,700,000	\$111,923,000	+14%
Long-term debt	9,920,000	11,990,000	-17%
Common stockholders' equity	262,707,000	241,085,000	+9%
Weighted average common shares outstanding	11,344,000	11,531,000	
Number of stockholders of record	5,400	5,600	
Units at end of year	2,114	1,972	+7%

ANNUAL MEETING

of stockholders will be held in the offices of the company at 400 Washington Avenue, St. Louis, Missouri, at 11 a.m. on Monday, April 26, 1982. A notice of the meeting with a proxy statement is mailed with this report to holders of common stock.



JULIAN I. EDISON

BERNARD A. EDISON

TO OUR STOCKHOLDERS:

Edison Brothers Stores, Inc. sales for 1981 again reached a record level. Sales of \$951,436,000 for the 52 weeks ended January 2, 1982 were up 11.5% over the 53 weeks ended January 3, 1981. When compared with 52 weeks of the prior year, sales were up 13.2%.

Profits for the year were \$43,654,000 or \$3.84 per share, an increase of 2.8%.

The Board of Directors increased the quarterly common stock dividend from \$.33 to \$.36 effective with the dividend paid in September, 1981. The company declared dividends of more than \$15.7 million during the year. Wages and salaries totaled nearly \$167 million. The company paid taxes of nearly \$57 million.

The year closed on a positive note. Sales for the Christmas selling period exceeded expectations, with December increases the largest of any comparable month in 1981. Most of the increase was accounted for by regular-price merchandise, with only a small portion due to additional promotion.

The shoe division enjoyed outstanding sales and profit gains during the first half of the year.

During the fall season, sales increases were smaller until Thanksgiving, when dress shoes and boots led a surge that lasted through the holiday period. Inventory levels were higher than desired during the second six months, resulting in higher markdowns and interest costs. Nevertheless, the shoe division reported record profits for the year.

Sales in the Handyman division continue to suffer from the severe slump in home building and in the turnover of older homes. Additional promotional activity helped the Handyman stores retain their share of their market, but this effort had an adverse effect on margins. As a result, the division experienced a substantial reduction in operating profit.

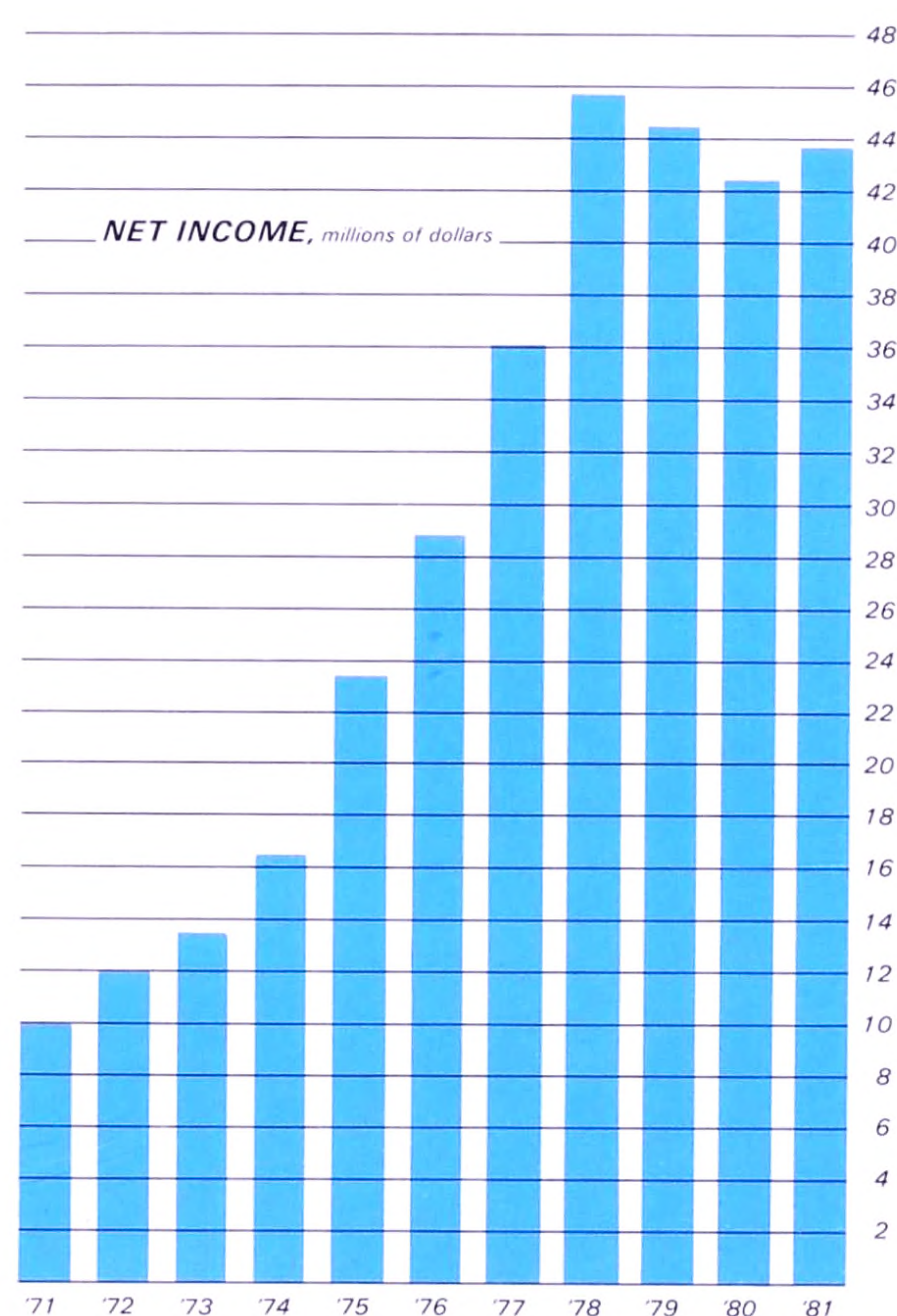
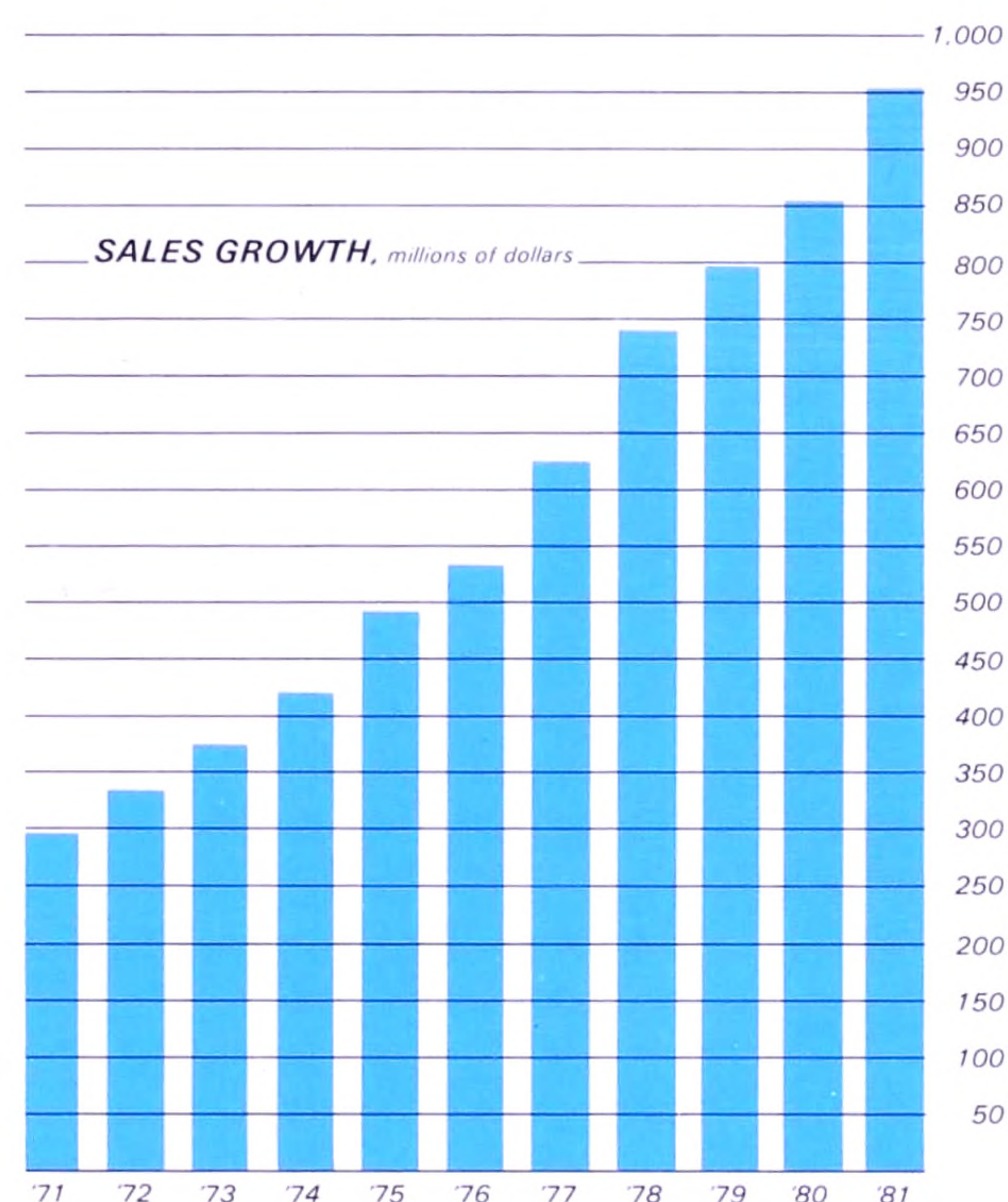
The apparel segment of the company experienced a poor first six months, but these divisions improved their performance markedly in the second half of the year. Sales and operating profit were up significantly for the year as a whole.

Size 5-7-9 Shops' new management team achieved outstanding improvement in both sales and profits throughout the year. Jeans West/Oak Tree had a disappointing first half, but strong recovery in the second half enabled it to show healthy increases in sales and profits for the full year.

Fashion Conspiracy had a loss for 1981. Tighter controls improved results in the fourth quarter, however. In mid-1981, M. Richard Wyman was named president of this division. Two additional senior merchandising executives were appointed in the fall of 1981 and early 1982.

We opened a total of 171 stores for the year, representing all of the company's divisions. A highlight was the opening of our 2,000th store in the spring. We closed 29 older units, for a year-end total of 2,114.

The number of openings was down from our record of 211 in 1980. We expect to open only about 100 new stores in 1982, and the reduced rate of openings is likely to continue for



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several years. This reflects a sharp reduction in the number of new shopping centers being built.

On balance, the effect of fewer openings should be positive. The combination of increased sales in existing stores and lowered capital expenditures should help to increase profits.

Capital expenditures decreased 31.4%, from \$44,140,000 in 1980 to \$30,301,000 in 1981. With fewer new store openings, the level is expected to decline further in 1982.

In September the company announced plans to build a new corporate headquarters in downtown St. Louis. The new building will house the corporate offices of Edison Brothers Stores, Inc., as well as the main offices of the shoe division and the St. Louis Apparel Group.

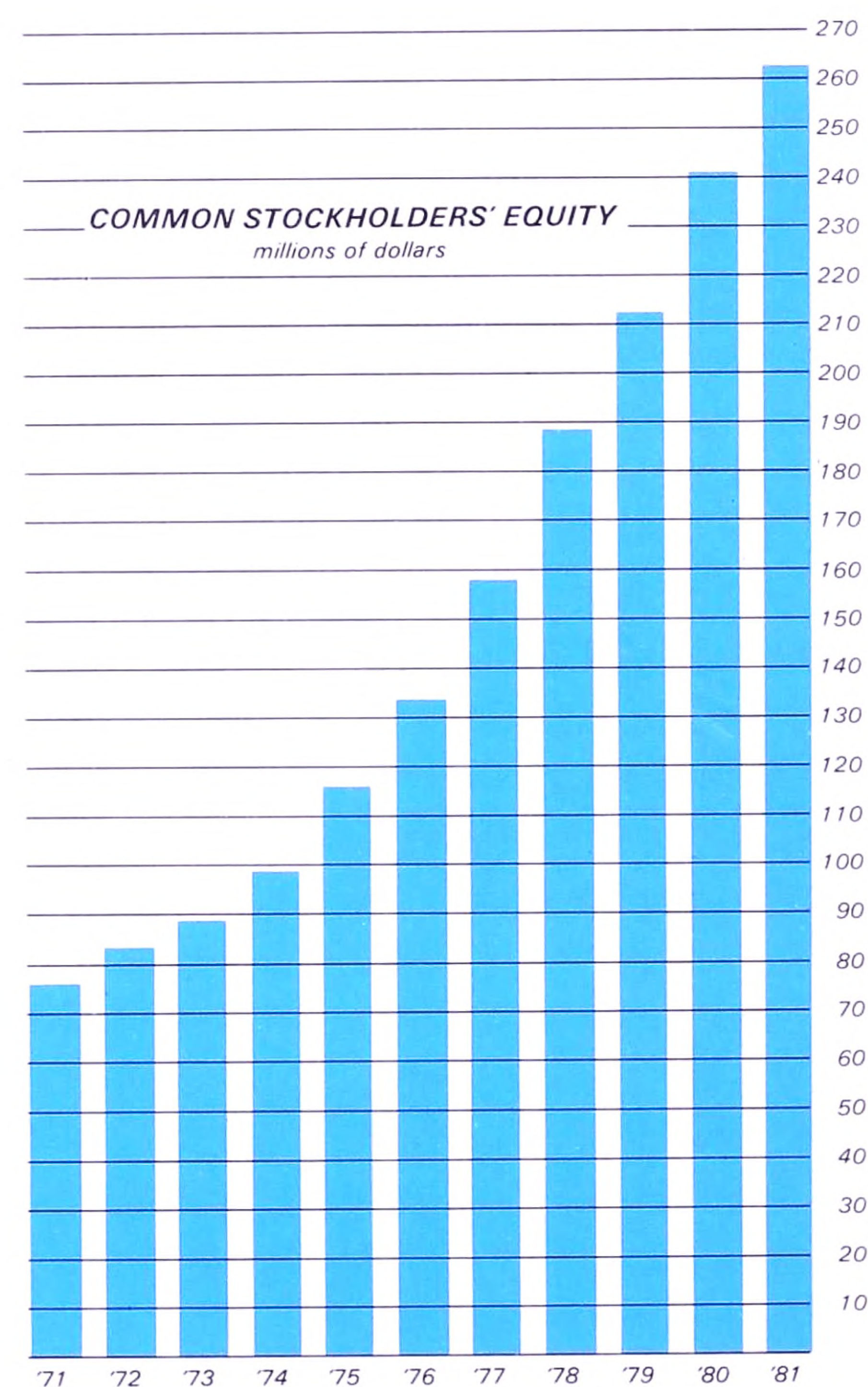
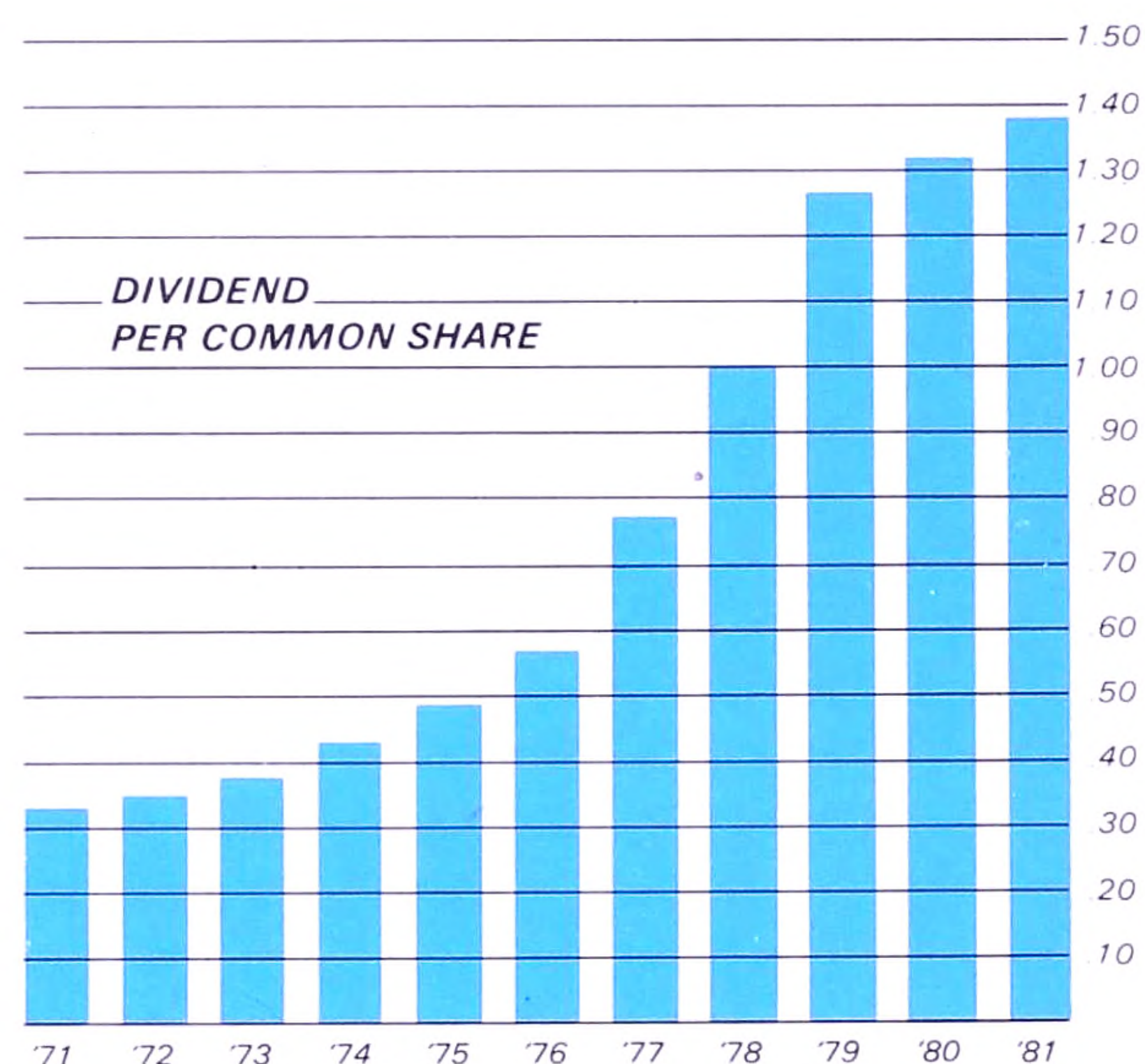
Harold Winter, vice president, retired in 1981. He made many valuable contributions to the financial management of the company in his 37-year career.

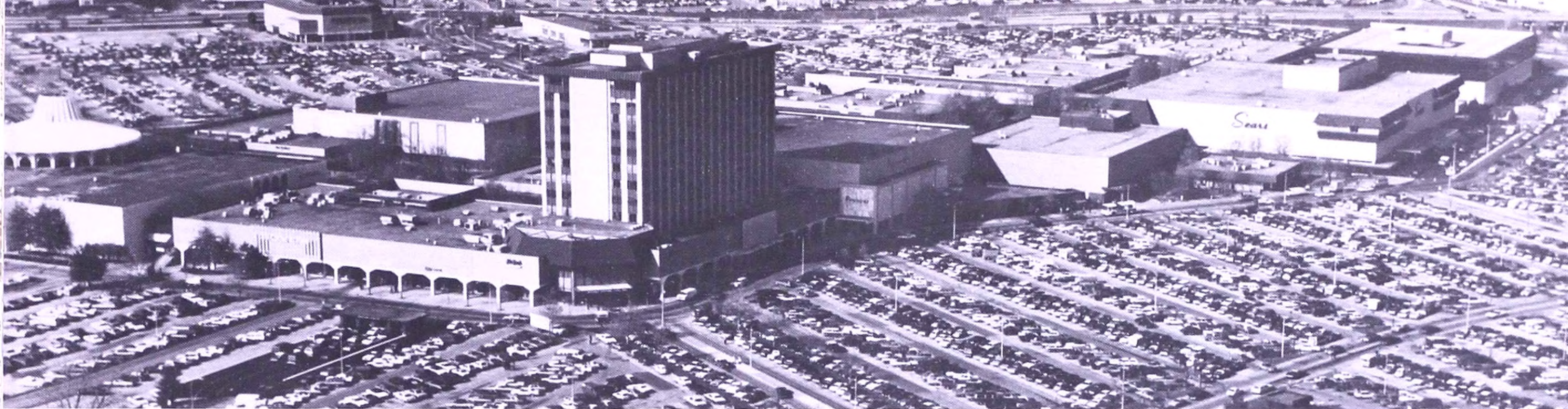
We anticipate sales increases for the coming year, though our business will continue to be somewhat affected by current economic conditions. Sales are expected to top \$1 billion for the first time in the company's history in 1982, our 60th anniversary year. When the national economy does begin to improve, Edison Brothers is positioned to participate even more strongly in renewed growth.

We are confident that the expertise of our buying and store operating teams and our high level of consumer acceptance will enable us to continue to provide a good return on stockholders' investments.

Julian Edison Chairman of the Board
Bernard A. Edison President

St. Louis, Missouri, February 22, 1982





Northwest Plaza, St. Louis, Mo. — Site of 10 Edison Brothers stores

STORE LOCATIONS

The sharp slowdown in the rate of construction of new shopping centers has brought about a substantial reduction in the number of opportunities available to us for opening new shoe and apparel stores. Our pace of store openings has been sustained somewhat by aggressive efforts to acquire additional locations in the strongest existing centers.

The reduced number of openings should prove to be largely beneficial to Edison Brothers. Our present group of stores already provides thorough coverage of most major markets, especially in the shoe division. In the absence of new centers, added sales can benefit existing stores, thereby increasing their profitability without additional capital investments.

We are pleased with the character and makeup of our existing group of stores. Our aggressive program of openings in recent years, combined with store closings, relocations, and remodelings, has resulted in a group of modern stores in the most productive locations.

We have opened 1,478 stores in the past 10 years and have closed 327 in the same period. Including relocations as well as new stores, over 76% of our stores in operation today are less than 10 years old. Of the remainder, most are up-to-date because they have been recently refurbished.

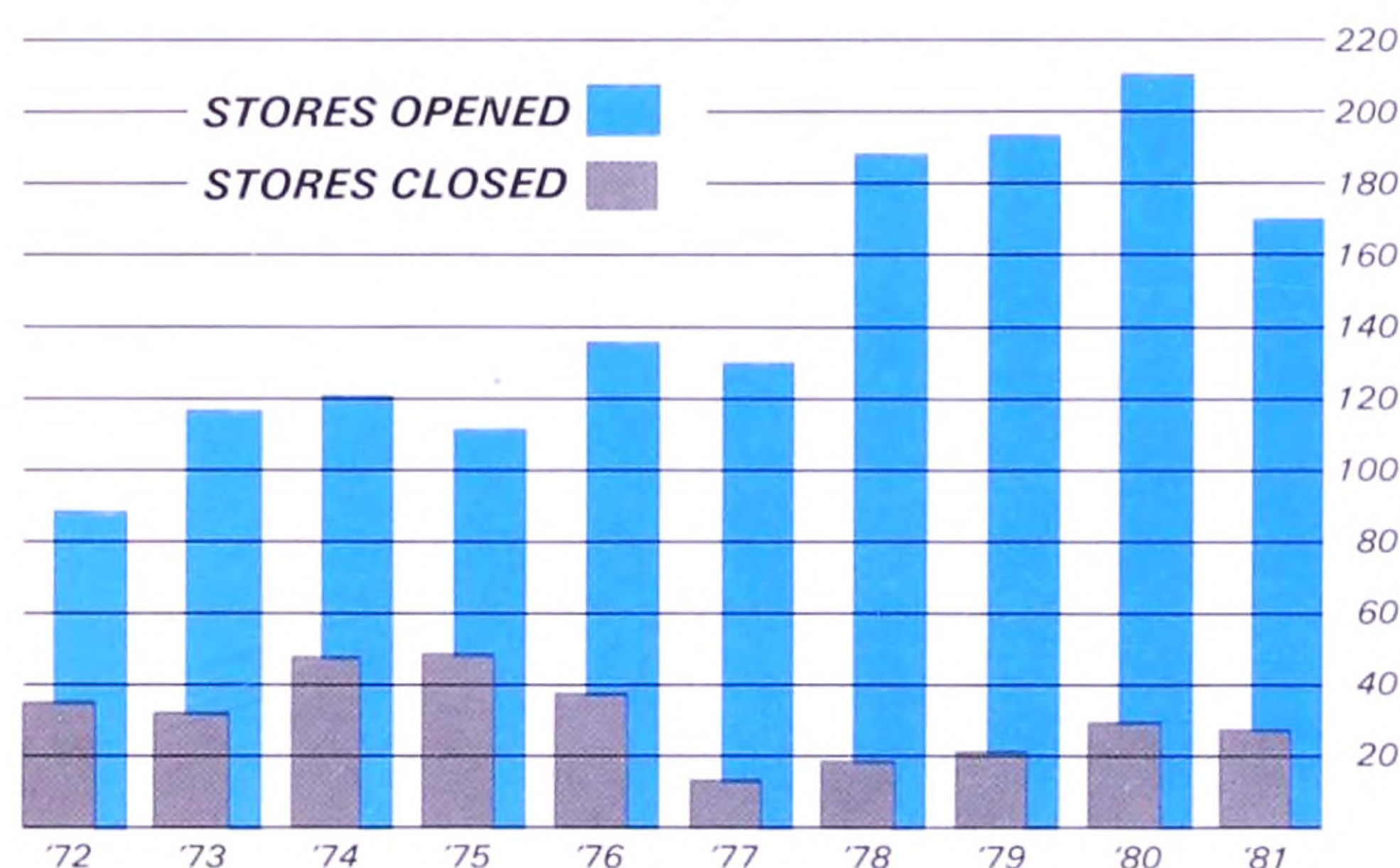
The number of different store chains we operate has enabled us to locate multiple stores in key fashion centers. In many regional centers we now have six to nine shoe and apparel stores. In addition, we continue to operate profitably in the many downtowns that still provide healthy retail environments.

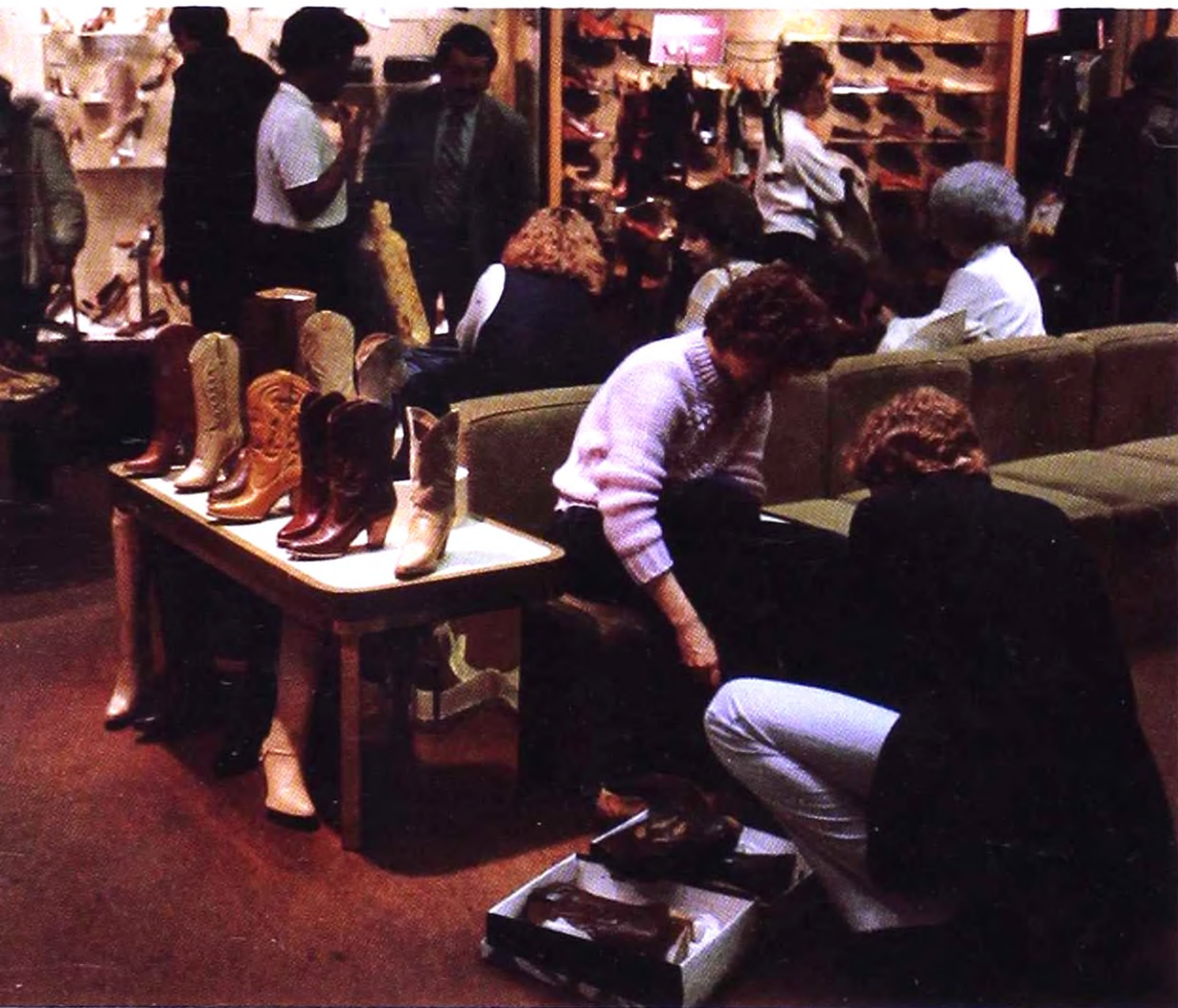
The Handyman stores are in freestanding locations or smaller suburban shopping centers. We see excellent long-range potential in these locations, which are in the most productive retail sections of their market areas.

Our existing body of stores has a substantial geographic concentration in the South and West, where the most rapidly growing markets are located. The sunbelt area accounted for 60% of our 1981 sales.

A major reduction in the average size of our new shoe stores compared with our earlier store designs has also contributed to greater productivity. The shoe stores opened throughout most of the 70's are about half the size of earlier stores. First-year sales in these new smaller stores have been 50% greater than first-year sales were in the earlier, larger stores. First-year sales per square foot now are three times greater in these smaller stores than they were in the earlier ones. Store sizes in the other divisions have similarly been adjusted for greater productivity.

After having invested more than \$230 million in the past 10 years in new stores, other facilities, and equipment, we are well pleased with our present body of store locations. Our stores are well-positioned to attract the maximum number of consumers who are seeking fashion, quality, and value in contemporary surroundings.





FOOTWEAR and ACCESSORIES

The shoe division enjoyed unusually strong sales and profit gains in the first half of 1981. The resurgence of interest in color, particularly in the lilac family, stimulated sales of fashion footwear and accessories. Increased demand for dressier shoes provided additional sales impetus.

Sales increases continued in the second half, but at a somewhat lesser rate until Thanksgiving. Dress shoe sales, in particular, did not continue the strong first-half showing.

The shoe division reported very strong December sales increases. Boot sales showed major gains over the previous year. Our buyers had bought substantially greater quantities of boots, accurately anticipating the demand.

During the fall, inventories were significantly higher than a year earlier. This was accounted for partially by the build-up in boots, partially by earlier-than-normal receipt of advance spring footwear, and partially by the fact that dress shoe sales had not met expectations. The markdowns and larger interest charges associated with the higher inventory levels reduced fourth quarter



profits below last year's level. Nevertheless, because of the excellent spring results, the division's operating profit for the year as a whole increased by 10% and reached a record level.

The normal winter clearance sale will have significantly reduced the amount of carryover fall merchandise. The spring selling season will further help to bring inventories to desired levels during the first half of the year.

The shoe division opened 95 new units, closed 23, and ended the year with 1,197 in operation. Expansion included all store groups: Chandlers, Bakers, Leeds, Burts, The Wild Pair, leased shoe

departments, and Joan Bari Boutiques.

Edison Brothers is the largest retailer of women's fashion shoes in America. This leadership is widely recognized as being based on the buying and operating skills of the outstanding people in our organization.

This division's successful, long-standing policy of promotion from within again provided advancement opportunities for many of its employees. During the year, 333 employees were promoted to store manager, 10 to regional manager, and 18 to home-office executive positions.



APPAREL

Size 5-7-9 Shops enjoyed substantial increases in sales and profits throughout the year. This represented a significant achievement for its new merchandising and management team. The revised merchandising approach also reduced markdowns, raising profits to the best level in recent years.

Sales and profits in the Jeans West/Oak Tree division also increased substantially for the year. All of the gains occurred in the second six months, after a disappointing first half. In addition to sales growth, good inventory control reduced markdowns and contributed to the profit improvement. Year-end inventories were at planned levels.

The Oak Tree chain, a venture that was conceived and developed within our Jeans West organization, has evolved into a highly successful and profitable group of stores for young men.

Fashion Conspiracy reported a loss for 1981, due in part to very heavy markdowns in the first half of the year. At year-end, however, inventory

was at the desired level and was composed of more timely merchandise.

Edgar F. Berner resigned as president of Fashion Conspiracy in April, 1981. His decision reflects his intentions announced at the time of Edison Brothers' acquisition of this division. Mr. Berner, the founder of Fashion Conspiracy, succeeded in building a retail chain of major significance in only a few years, a noteworthy accomplishment in contemporary retailing.

M. Richard Wyman has been named president of Fashion Conspiracy in addition to his other duties as vice president for corporate development for Edison Brothers Stores, Inc. A reorganization of merchandising and buying operations was begun late in 1981 and developed further in early 1982.

Edison Brothers' apparel segment ended the year with 837 stores in operation. This represents a major investment in stores and people, from which significant sales and profit increases are expected in the years ahead.



HARDWARE

The Handyman division continued to suffer in 1981 from the business decline that has affected the home center industry. Poor sales have been due primarily to severe cutbacks in new home building and in buying of existing homes. The family that moves into a home, whether that home is newly built or previously owned, is one of the best customers for a hardware and home improvement store. In addition, the uncertain economic climate has caused many consumers to postpone major home remodeling projects.

An aggressive program of off-price promotions was undertaken by Handyman to help retain market share, but it significantly reduced gross margins. The reduced margins sharply lowered the operating profit of this division for the year.

Handyman is not expected to return to its earlier pace of sales gains and good profit levels

until a recovery is experienced in home building and sales. However, a number of measures have been taken to adjust appropriately to current conditions.

Continuation of the promotional program will help to preserve our share of the market. Vigorous pruning of unproductive items from all merchandise categories will help reduce inventories and improve gross margins.

The Handyman division opened five stores in 1981, four in Texas and one in northern California. Expansion plans have been curtailed for the present, with only one new store planned for 1982.

Notwithstanding the adverse effects of current conditions, we continue to regard the home center industry as one of the major growth segments of retailing. Handyman is well-positioned to participate significantly in that growth when it resumes.

EMPLOYEE BENEFITS

Edison Brothers Stores, Inc. and its subsidiaries now have approximately 20,600 regular and part-time employees on a seasonal average basis. Salaries and wages totaled \$166,936,000 in 1981 compared with \$149,207,000 in 1980. Payroll taxes paid by the company in 1981 and 1980 totaled \$13,712,000 and \$11,366,000, respectively.

The company's contribution to the employees health plan trust, which includes hospital, medical, dental, and life insurance coverage, was \$4,837,000. In addition, \$4,077,000 was contributed to the pension trust in 1981. The cost of the pension plan is entirely paid for by the company. On January 2, 1982, the market value of the assets of the pension trust was \$45,000,000.

The company recognized expense of \$475,000 in 1981 and \$1,075,000 in 1980 for shares of the company's common stock issuable to executives, including store managers, under the provisions of the stock bonus plan.

PERSONNEL CHANGES

Twenty-two executives have been appointed to new officer positions. Edison Brothers Stores, Inc.: Thomas K. McCain, taxes, was elevated to vice president from assistant vice president. Named

assistant vice presidents were Rodney F. Hill, internal audit, and Alan D. Miller, corporate development.

Edison Brothers Shoe Stores: Dale D. Gilger was appointed president of the Edison Direct Sales Division. New assistant vice presidents are Harold Feiner, merchandise control, shoes; Kenneth French, buyer, leased department casual shoes; Martin Goldstein, associate buyer, Chandlers dress shoes; Robert Pipkin, shortage controller; Harvey J. Rosenberg, buyer, QualiCraft casual shoes; Ray Seabert, associate buyer, QualiCraft dress shoes; George Starmer, Detroit regional manager; Hallie Thompson, store cost control; and Harold Wolf, buyer, leased department dress shoes.

Size 5-7-9 Shops: Edison Ricca, vice president, was named general merchandise manager. New assistant vice presidents are Howard Denson, divisional merchandise manager; Charles W. Raiser, merchandise control; Dan Soaib, divisional sales manager, East; and Lester Wilson, divisional sales manager, West.

Jeans West/Oak Tree: Elected assistant vice president was Carl B. Davenport, divisional sales manager, South.

Fashion Conspiracy: M. Richard Wyman was elected president; Robert H. Shearin, vice president, was named general merchandise manager; promoted to assistant vice president was Wayne B. Haar, merchandise administrator.

STATISTICAL SUMMARY

(In millions, except units and per share data)

1981/1971 10 YEAR COMPARISON		1981	1980	1979	1978	1977	1976	1975	1974	1973	1972	1971
+143%	Units <i>end of each year</i>	2,114	1,972	1,792	1,620	1,451	1,244	1,145	1,079	1,006	922	870
+227%	Net sales	\$951.4	\$853.4	\$793.4	\$739.4	\$624.3	\$532.3	\$489.6	\$420.5	\$372.4	\$333.1	\$290.9
+217%	Cost of goods sold, including occupancy and buying expenses	614.0	543.7	503.7	460.3	393.1	335.8	312.6	274.8	244.3	220.6	193.6
+274%	Taxes other than income taxes	17.6	14.9	13.9	12.7	10.9	9.4	8.5	7.4	7.2	5.8	4.7
+255%	Interest expense	7.1	4.7	4.6	3.7	3.6	3.6	3.8	4.0	3.8	2.7	2.0
+215%	Other expenses	230.0	210.0	186.3	171.0	146.0	125.9	115.4	100.6	90.4	81.5	73.0
+413%	Income taxes	39.0	37.6	40.5	46.0	34.6	29.0	25.8	17.3	13.2	10.5	7.6
+337%	Net income	43.7	42.5	44.4	45.7	36.1	28.6	23.5	16.4	13.5	12.0	10.0
+271%	Common stock dividends	15.6	15.2	14.6	11.6	9.2	6.8	5.9	5.2	4.7	4.4	4.2
+217%	Total assets	444.6	412.0	360.8	333.8	292.2	241.8	214.7	180.7	173.1	159.6	140.3
- 61%	Long-term debt	9.9	12.0	13.8	15.6	17.5	19.2	20.7	22.4	24.7	26.2	25.5
+ 40%	Long-term obligations and redeemable preferred stock	50.7	47.0	44.6	46.8	47.8	45.7	49.2	39.1	36.4	37.6	36.3
+247%	Common stockholders' equity	262.7	241.1	213.4	188.9	158.3	133.5	115.6	99.5	89.1	83.3	75.7
- 10%	Weighted average common shares outstanding	11.3	11.5	11.5	11.6	11.8	11.9	12.1	12.2	12.4	12.6	12.5
+409%	Total taxes per common share	\$ 4.99	\$ 4.55	\$ 4.72	\$ 5.05	\$ 3.84	\$ 3.21	\$2.85	\$2.02	\$1.64	\$1.30	\$.98
+386%	Net income per common share	3.84	3.68	3.84	3.93	3.04	2.39	1.95	1.34	1.08	.94	.79
+318%	Dividends per common share	1.38	1.32	1.27	1.00	.77	.57	.49	.43	.38	.35	.33
+286%	Equity per common share	23.28	20.95	18.60	16.29	13.51	11.21	9.64	8.20	7.25	6.63	6.03

CONSOLIDATED STATEMENTS OF INCOME

	1981 (52 weeks)	1980 (53 weeks)	1979 (52 weeks)
	(In thousands, except per share data)		
Net Sales	\$951,436	\$853,389	\$793,395
Cost of goods sold, including occupancy and buying expenses	613,958	543,683	503,705
Store operating and administrative expenses	230,146	207,472	187,752
Depreciation and amortization	20,667	18,093	15,103
Interest expense	7,075	4,661	4,602
Other income, net	(3,079)	(599)	(2,698)
	<u>868,767</u>	<u>773,310</u>	<u>708,464</u>
Income before Income Taxes	82,669	80,079	84,931
Provision for income taxes	39,015	37,622	40,545
Net Income	<u>\$ 43,654</u>	<u>\$ 42,457</u>	<u>\$ 44,386</u>
Net Income per Common Share	<u>\$ 3.84</u>	<u>\$ 3.68</u>	<u>\$ 3.84</u>

CONSOLIDATED STATEMENTS OF CHANGES IN FINANCIAL POSITION

	1981 (52 weeks)	1980 (53 weeks)	1979 (52 weeks)
	(In thousands)		
Additions to working capital:			
Net income	\$ 43,654	\$ 42,457	\$ 44,386
Depreciation and amortization	20,667	18,093	15,103
Other	4,095	3,891	4,158
Working capital provided from operations	<u>68,416</u>	<u>64,441</u>	<u>63,647</u>
Proceeds from sale of industrial revenue bonds	5,500		
	<u>73,916</u>	<u>64,441</u>	<u>63,647</u>
Reductions in working capital:			
Expenditures for property and equipment	30,301	44,140	34,756
Dividends declared	15,706	15,308	14,687
Purchase of treasury stock	7,856	1,058	7,420
Reductions in long-term debt	2,070	1,859	1,764
Sundry, net	2,206	111	783
	<u>58,139</u>	<u>62,476</u>	<u>59,410</u>
Increase in working capital	15,777	1,965	4,237
Working capital at beginning of year	<u>111,923</u>	<u>109,958</u>	<u>105,721</u>
Working Capital at End of Year	<u>\$127,700</u>	<u>\$111,923</u>	<u>\$109,958</u>

See notes to consolidated financial statements.

CONSOLIDATED BALANCE SHEETS

ASSETS

	January 2, 1982	January 3, 1981
	(In thousands)	
Current Assets:		
Cash	\$ 19,886	\$ 20,046
Short-term investments	21,510	25,514
Merchandise inventories	191,490	167,287
Other current assets	12,286	10,598
Total Current Assets	245,172	223,445
Property and Equipment , at cost, less accumulated depreciation and amortization of \$77,412 and \$65,797	156,438	149,759
Property Held under Capital Leases , less accumulated amortization of \$12,094 and \$10,210	33,263	28,732
Other Assets	9,762	10,037
	<u>\$444,635</u>	<u>\$411,973</u>

LIABILITIES AND COMMON STOCKHOLDERS' EQUITY

Current Liabilities:		
Accounts payable, trade	\$ 59,758	\$ 63,382
Payroll and vacations	10,474	8,889
Other accrued expenses	9,829	9,122
Income taxes	20,382	17,330
Other taxes	10,079	9,911
Dividends payable	4,063	
Current installments of long-term debt and obligations under capital leases	2,887	2,888
Total Current Liabilities	117,472	111,522
Long-Term Debt	9,920	11,990
Obligations under Capital Leases	38,949	33,236
Deferred Income Taxes and Other Liabilities	13,776	12,327
Redeemable 4¼% Cumulative Preferred Stock , par value \$100	1,811	1,813
Common Stockholders' Equity:		
Common stock, par value \$1	11,285	11,507
Capital in excess of par value		532
Retained earnings	251,422	229,046
Total Common Stockholders' Equity	262,707	241,085
	<u>\$444,635</u>	<u>\$411,973</u>

See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF COMMON STOCKHOLDERS' EQUITY

	Common Stock	Capital in Excess of Par Value	Retained Earnings
	(Dollars in thousands, except per share data)		
Balance at beginning of 1979.....	\$11,597		\$177,266
Net income.....			44,386
Stock options exercised.....	41	\$ 265	
Stock bonus distributions.....	62	1,804	
Redeemable preferred stock purchased—553 shares.....		33	
Common stock purchased—226,900 shares.....	(227)	(2,102)	(5,068)
Redeemable preferred stock dividends—\$4.25 per share ..			(79)
Common stock dividends—\$1.265 per share.....			(14,608)
Balance at End of 1979.....	11,473	-0-	201,897
Net income.....			42,457
Stock options exercised.....	19	126	
Stock bonus distributions.....	55	1,415	
Redeemable preferred stock purchased—91 shares.....		5	
Common stock purchased—40,000 shares.....	(40)	(1,014)	
Redeemable preferred stock dividends—\$4.25 per share ..			(77)
Common stock dividends—\$1.32 per share.....			(15,231)
Balance at End of 1980.....	11,507	532	229,046
Net income.....			43,654
Stock bonus distributions.....	55	1,473	
Redeemable preferred stock purchased—27 shares.....		2	
Common stock purchased—277,600 shares.....	(277)	(2,007)	(5,572)
Redeemable preferred stock dividends—\$4.25 per share ..			(77)
Common stock dividends—\$1.38 per share.....			(15,629)
Balance at End of 1981.....	\$11,285	-0-	\$251,422

See notes to consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Fiscal Year—The company's fiscal year ends on the Saturday closest to December 31. References to 1981, 1980, and 1979 are to the 52 weeks ended January 2, 1982, 53 weeks ended January 3, 1981, and 52 weeks ended December 29, 1979.

Consolidation—The financial statements include the accounts of all subsidiaries; intercompany accounts and transactions have been eliminated.

Short-term investments are stated at the lower of cost or market.

Inventories—A portion of the inventories (57%) is stated at the lower of cost, principally average cost, or market, based principally on anticipated realizable values. The other portion (43%) is based on the retail method.

Depreciation—Depreciation and amortization of property and equipment and property held under capital leases are computed on the straight-line basis.

Preopening Expenses—Store preopening expenses are charged against income as incurred.

Income Taxes—Investment tax credits are accounted for under the flow-through method. Deferred income taxes principally result from timing differences related to depreciation and amortization.

Income Per Share—Net income per common share is based on the weighted average number of shares outstanding (11,344,000 in 1981, 11,531,000 in 1980, and 11,533,000 in 1979). Shares issuable under the stock option and stock bonus plans did not have a material dilutive effect on earnings per share.

PROPERTY AND EQUIPMENT AND PROPERTY HELD UNDER CAPITAL LEASES—

	Estimated life in years	Cost	
		January 2, 1982	January 3, 1981
Property and equipment			
Land		\$ 14,682,000	\$ 14,307,000
Buildings	25	32,659,000	30,271,000
Leasehold improvements	10-15	112,111,000	101,507,000
Fixtures and equipment	5-10	74,398,000	69,471,000
		<u>\$233,850,000</u>	<u>\$215,556,000</u>
Property held under capital leases, principally buildings	20-50	<u>\$ 45,357,000</u>	<u>\$ 38,942,000</u>

LINES OF CREDIT—Lines of credit totaling \$51,500,000 were available but unused by the company at January 2, 1982. There are no restrictions on withdrawals of the existing lines of credit.

LONG-TERM DEBT—Long-term debt consists principally of 8.625% promissory notes maturing serially through 1991. The aggregate amount of principal of long-term debt payments required for the years 1982 through 1986 are: \$2,068,000, 1982; \$1,994,000, 1983; \$1,338,000, 1984; \$978,000, 1985; and \$967,000, 1986. The terms of the indebtedness contain certain restrictions including limitations on the payment of cash dividends and the acquisition of capital stock of the company. Retained earnings of \$97,700,000 at January 2, 1982, are free of such limitations.

COMMON STOCK—

	Shares	
	January 2, 1982	January 3, 1981
Issued (30,000,000 authorized)	13,517,788	13,462,363
Less held in treasury	2,232,752	1,955,152
Outstanding	<u>11,285,036</u>	<u>11,507,211</u>

The company had a qualified stock option plan for the sale of common stock of the company to executives, including store managers. The right to grant options expired in 1976 and all unexpired options were either exercised or cancelled in 1980. Options exercised at \$7.50 per share were 19,372 in 1980 and 40,765 in 1979.

Under the 1975 Stock Bonus Plan, as amended in 1980, 1,500,000 shares of common stock may be issued to executives, including store managers. The stock is distributable in installments from two to six years after grant, based on the excess of market value at time of distribution over the base price (which may not be less than 75% of market value at date of grant). The cost of the plan is being charged against income over the applicable six year period. The annual charge (\$475,000 in 1981, \$1,075,000 in 1980, and \$1,108,000 in 1979) will vary depending on changes in the market price of the company's common stock over the term of the bonus grants. At January 2, 1982, 32,000 shares were issuable based on the quoted market value of the common stock. The base prices ranged from 82% to 90% of market value at dates of grant and, at January 2, 1982, averaged \$23.62. A total of 288,118 shares (55,425 in 1981, 54,625 in 1980, and 62,697 in 1979) have been issued under the provisions of the plan; accordingly, 1,211,882 shares are available for issuance under outstanding and future grants.

LEASES—Operations are, for the most part, conducted in leased premises. A majority of leases provide for percentage rentals based upon sales, and other items, as additional rent. Net rental expense for operating leases, including the land portion of capital leases, and subleases is as follows:

	1981	1980	1979
Minimum	\$48,270,000	\$42,246,000	\$36,232,000
Based upon sales . . .	9,307,000	8,106,000	7,738,000
Other	13,586,000	11,446,000	7,984,000
Sublease income	(817,000)	(729,000)	(695,000)
	<u>\$70,346,000</u>	<u>\$61,069,000</u>	<u>\$51,259,000</u>

Future minimum lease payments required under leases as of January 2, 1982 are as follows (in thousands):

	1982	1983	1984	1985	1986	Beyond 1986	Total
Operating leases . . .	\$49,942	\$48,766	\$47,236	\$45,781	\$44,445	\$289,945	\$526,115
Capital leases	4,136	4,125	4,125	5,318	5,325	58,426	81,455

The \$81,455,000 total shown for capital leases includes \$41,686,000 representing interest and \$39,769,000 representing the present value of net minimum lease payments. The current portion is \$820,000 and the noncurrent portion is \$38,949,000. Future minimum lease payments have not been reduced by minimum sublease rentals of \$2,414,000 (capital leases) and \$3,255,000 (operating leases) due in the future under noncancelable subleases. Contingent rentals on capital leases are not material.

PENSION PLAN—The company has a pension plan covering employees who have met eligibility requirements as to age and service. Pension expense was \$4,077,000 in 1981, \$4,033,000 in 1980, and \$3,843,000 in 1979, including amortization of unfunded past service cost over periods ranging from 30-40 years. The company's policy is to fund, at a minimum, pension cost accrued. Based on the most recent report by the company's consulting actuaries, which is as of January 1, 1981, accumulated plan benefit information and plan net assets are as follows:

	January 1, 1981	January 1, 1980
Actuarial present value of accumulated plan benefits:		
Vested	\$26,196,000	\$23,448,000
Nonvested	756,000	961,000
	<u>\$26,952,000</u>	<u>\$24,409,000</u>
Net assets available for benefits	<u>\$39,366,000</u>	<u>\$32,502,000</u>

The assumed rate of return used in determining the actuarial present value of accumulated plan benefits was 9% at the end of both 1980 and 1979.

INCOME TAXES—

	1981	1980	1979
Reconciliation of federal statutory rates to effective income tax rates:			
Federal corporate statutory rate	46.0%	46.0%	46.0%
Increase (decrease) in taxes resulting from:			
State and local income taxes, net of federal income tax benefit	3.7	3.4	3.5
Miscellaneous items	(2.5)	(2.4)	(1.8)
Actual tax expense	<u>47.2%</u>	<u>47.0%</u>	<u>47.7%</u>
Components of deferred income tax expense (in thousands):			
Accelerated depreciation	\$2,497	\$2,055	\$2,276
LIFO method of valuing certain inventories	855		
Other	1,625	2,337	983
Deferred income tax expense	<u>\$4,977</u>	<u>\$4,392</u>	<u>\$3,259</u>
Investment tax credits (in thousands)	<u>\$1,615</u>	<u>\$2,094</u>	<u>\$1,676</u>

BUSINESS SEGMENTS (In millions) —

	Sales			Identifiable assets			Depreciation and amortization		
	1981	1980	1979	1981	1980	1979	1981	1980	1979
Footwear	\$536.1	\$474.0	\$441.9	\$220.9	\$204.1	\$175.2	\$ 8.5	\$ 7.5	\$ 6.6
Hardware	205.3	193.5	186.4	130.1	122.6	106.9	5.0	4.2	3.5
Apparel	210.0	185.9	165.1	93.6	85.3	78.7	7.2	6.4	5.0
	<u>\$951.4</u>	<u>\$853.4</u>	<u>\$793.4</u>	<u>\$444.6</u>	<u>\$412.0</u>	<u>\$360.8</u>	<u>\$20.7</u>	<u>\$18.1</u>	<u>\$15.1</u>

	Operating profit			Retail operating assets			Expenditures for property, equipment, and capital leases		
	1981	1980	1979	1981	1980	1979	1981	1980	1979
Footwear	\$74.1	\$67.2	\$68.6	\$212.7	\$196.6	\$167.9	\$15.6	\$18.0	\$12.3
Hardware	8.4	11.9	17.4	72.8	66.9	61.8	7.4	16.9	9.1
Apparel	9.8	8.2	5.8	75.3	66.9	63.6	9.0	14.3	13.9
	<u>92.3</u>	<u>87.3</u>	<u>91.8</u>	<u>\$360.8</u>	<u>\$330.4</u>	<u>\$293.3</u>	<u>\$32.0</u>	<u>\$49.2</u>	<u>\$35.3</u>
Interest expense	(7.1)	(4.7)	(4.6)						
Corporate expenses	(2.5)	(2.5)	(2.3)						
Income before income taxes ..	<u>\$82.7</u>	<u>\$80.1</u>	<u>\$84.9</u>	Retail operating assets consist primarily of current assets, leasehold improvements, and fixtures and equipment.					

CHANGES IN COMPONENTS OF WORKING CAPITAL—

	1981	1980	1979
Increase (decrease) in current assets:			
Cash and short-term investments	\$ (4,164,000)	\$10,147,000	\$ (13,212,000)
Merchandise inventories	24,203,000	11,132,000	20,675,000
Other current assets	1,688,000	243,000	284,000
	<u>21,727,000</u>	<u>21,522,000</u>	<u>7,747,000</u>
Increase (decrease) in current liabilities:			
Accounts payable, accrued expenses, and other liabilities	(1,164,000)	16,267,000	9,445,000
Income taxes	3,052,000	2,933,000	(5,997,000)
Dividends payable	4,063,000		
Current installments of long-term debt and obligations under capital leases	(1,000)	357,000	62,000
	<u>5,950,000</u>	<u>19,557,000</u>	<u>3,510,000</u>
Increase in working capital	<u>\$15,777,000</u>	<u>\$ 1,965,000</u>	<u>\$ 4,237,000</u>

REPORT OF ERNST & WHINNEY, INDEPENDENT AUDITORS

Board of Directors
Edison Brothers Stores, Inc.
St. Louis, Missouri

We have examined the consolidated balance sheets of Edison Brothers Stores, Inc. and subsidiaries as of January 2, 1982 and January 3, 1981, and the related consolidated statements of income, common stockholders' equity and changes in financial position for each of the three years in the period ended January 2, 1982. Our examinations were made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the financial statements referred to above present fairly the consolidated financial position of Edison Brothers Stores, Inc. and subsidiaries at January 2, 1982 and January 3, 1981 and the consolidated results of their operations and changes in their financial position for each of the three years in the period ended January 2, 1982, in conformity with generally accepted accounting principles applied on a consistent basis.

Ernst & Whinney

St. Louis, Missouri
February 22, 1982

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL INFORMATION

Management is responsible for the integrity and objectivity of the financial statements and other information included in this annual report. The financial statements have been prepared in conformity with generally accepted accounting principles. Information which is not subject to objective determination has been developed based upon management's best judgment.

The company maintains accounting systems which management believes are sufficient to provide reasonable assurance of reliable financial statements and to maintain accountability for assets. These systems are supported by careful selection and training of qualified personnel. The extent of internal accounting controls implemented must be related to the benefits derived, and the balancing of the cost of controls to the benefits derived requires management's estimates and judgments. The system is tested and evaluated by independent certified public accountants and internal auditors.

The Board of Directors has established an Audit Committee which is comprised totally of members of the board who are not employees of the company. The committee meets with the independent auditors, internal auditors, and representatives of management to discuss auditing and financial reporting matters. Both the independent auditors and the company's own internal auditors meet with the Audit Committee, with and without management representatives present, to discuss the scope and results of their examinations, the quality of financial reporting, and the propriety of management's conduct of the business.

Management is committed to conducting its business affairs in accordance with the highest ethical standards and in conformity with the law.

FINANCIAL REVIEW

FINANCIAL CONDITION — The company continued in a liquid financial condition at the end of 1981. Cash and short-term investments totaled \$41,396,000. Cash generated internally during the year exceeded \$68,000,000, and working capital was \$127,700,000 at year-end. Capital expenditures of \$30,301,000 in 1981 and \$44,140,000 in 1980 were financed internally except for the sale of industrial revenue bonds (\$5,500,000) in 1981. Management considers working capital adequate for normal business growth and for foreseeable contingencies. Seasonal changes in working capital requirements are primarily financed through the commercial paper market. Back-up bank lines of credit of \$51,500,000 were in effect at year-end.

Inventories were higher than planned at the end of 1981 and at planned levels at the end of 1980. Regular clearance sales should adjust stocks to planned levels during the first half of 1982.

OPERATING RESULTS — At the end of 1981 the company was operating 2,114 stores, an increase of 142 for the year. In 1980, the number of stores in operation increased by 180.

Sales increased 11.5% in 1981 and 7.6% in 1980. Sales in both years were increased by the addition of new stores. In 1981, sales were further improved by gains in comparable stores, particularly in the footwear and apparel segments. Sales in the hardware segment in both years were adversely affected by the low level of sales of new and older homes. Sales in 1980 reflect a drop in credit sales and an increase resulting from an extra week in the fiscal year.

Cost of goods sold, including occupancy and buying expenses, was 64.5% of sales in 1981, 63.7% in 1980, and 63.5% in 1979. The 1981 increase resulted primarily from higher markdowns.

Store operating and administrative expenses were 24.2% of sales in 1981, 24.3% in 1980, and 23.7% in 1979. In 1980 sales did not increase at the same rate as expenses, which rose as the result of inflationary pressures.

Net income in 1981 was 2.8% more than 1980, and 1980 net income was 4.3% less than 1979. The company continues to enjoy one of the best rates of return in the retail industry.

SUPPLEMENTAL INFORMATION ON CHANGING PRICES (UNAUDITED)—The company has generally been able to compensate for merchandise cost increases by increasing its prices sufficiently to maintain or improve its gross margins. Historically, the company has controlled expenses through increased productivity, reduction of store sizes, and increases in comparable-store sales.

The following disclosure is required by the Financial Accounting Standards Board (FASB) in an experimental attempt to report the impact of inflation and is not a comprehensive application of inflation accounting. During the experimental period, the FASB is focusing on those items it believes to be most affected by changing prices, that is: (1) inventories and properties and related cost of goods sold and depreciation expense, and (2) monetary assets and liabilities. Two different methods of restating net income are used, as follows:

1. Constant Dollar—Under this method, the CPI is used to adjust historical depreciation expense and cost of goods sold to average 1981 dollars. Revenues and other expenses already approximate average 1981 dollars and remain unchanged from amounts included in the primary financial statements.
2. Current Cost—Here, inventories and properties are calculated at current cost (rather than historical cost) at the balance sheet date; cost of goods sold is based on current cost at the date of sale, and depreciation is computed on average current cost for the year. A substantial part of footwear and apparel inventories is high fashion merchandise; therefore, it would be difficult for the company to replace specific merchandise on hand. However, if the company could replace specific merchandise, current cost and cost of sales would approximate historical costs.

For hardware merchandise, the LIFO inventory method is used to determine 1981 cost of sales under the current cost method. Current cost of year-end hardware inventories is based on indexes developed in the LIFO calculation. Prior to 1981, the current cost and cost of sales for the hardware segment were computed by application of appropriate Bureau of Labor Statistics Producer Price Indexes to historical costs.

The current cost of owned buildings and property held under capital leases was determined, for the most part, by applying current square footage costs to the replacement square footage of the applicable properties. The estimated current cost of footwear and apparel store properties is based on the current cost of smaller prototype stores the company is opening today, adjusted as necessary for stores with selling capacity greater than provided by a prototype store. The current cost of most other properties was determined by applying appropriate external indexes to the historical costs of appropriate narrow classes of assets. Current cost depreciation is based on the average current cost of properties held during the year.

The depreciation method and useful lives are the same as those used in preparing the primary financial statements. No adjustments to or allocations of the amount of income taxes have been made.

SUPPLEMENTAL STATEMENT OF INCOME ADJUSTED FOR INFLATION ACCOUNTING CALCULATIONS (UNAUDITED)

For the Year Ended January 2, 1982

(In thousands)

Net income as reported in the statement of income		\$43,654
Adjustments to restate costs for the effect of required constant dollar accounting calculations:		
Cost of goods sold	(17,270)	
Depreciation and amortization	(9,312)	(26,582)
Net income adjusted for effect of required constant dollar accounting calculations		17,072
Adjustments to reflect the difference between required constant dollar accounting calculations and changes in current costs:		
Cost of goods sold	15,565	
Depreciation and amortization	1,543	17,108
Net income adjusted for changes in current costs		\$34,180
Purchasing power gain from holding net monetary liabilities during the year		\$ 9,728
Increase in current cost resulting from the application of an index to current cost of inventories and properties held during the year*		\$24,618
Less effect of increase due to required constant dollar accounting calculations		38,001
Excess of increase due to required constant dollar accounting calculations over increase in current cost resulting from the application of an index to current cost		\$13,383

*At January 2, 1982, current cost of inventory was \$191,884 (historical amount—\$191,490) and current cost of property, equipment, and property held under capital leases, net of accumulated depreciation, was \$276,388 (historical amount—\$189,701).

**FIVE-YEAR COMPARISON OF SELECTED SUPPLEMENTAL FINANCIAL DATA
ADJUSTED FOR INFLATION ACCOUNTING CALCULATIONS (IN AVERAGE 1981 DOLLARS) (UNAUDITED)**
(In thousands)

	1981	1980	1979	1978	1977
Indexed net sales	\$951,436	\$941,885	\$993,885	\$1,030,585	\$936,779
Historical cost information adjusted for required constant dollar accounting calculations:					
Net income	17,072	17,235	27,897		
Net income per common share	1.50	1.49	2.41		
Net assets at year-end	337,198	328,219	319,157		
Current cost information:					
Net income	34,180	35,060	45,022		
Net income per common share	3.01	3.03	3.90		
Excess of increase in inventories and properties due to required constant dollar accounting calculations over increase in current cost resulting from the application of an index to current cost	13,383	23,153	32,508		
Net assets at year-end	340,404	331,679	323,590		
Other information:					
Purchasing power gain from holding net monetary liabilities during the year	9,728	12,725	12,911		
Indexed cash dividends per common share	1.39	1.47	1.60	1.40	1.17
Indexed market price of common shares at year-end	24.19	26.09	29.62	38.93	35.86
Average consumer price index	272.4	246.8	217.4	195.4	181.5

QUARTERLY INFORMATION —

Quarter	(In thousands)			Earnings per share	Common share market price		Dividend per common share
	Net sales	Cost of sales	Net income		High	Low	
1st (16 weeks)	\$258,049	\$166,831	\$ 9,020	\$.79	\$30.00	\$24.75	\$.33
2nd (10 weeks)	180,208	116,136	8,744	.76	31.25	27.75	.33
3rd (13 weeks)	235,809	150,222	10,312	.92	30.63	26.25	.36
4th (13 weeks)	277,370	180,769	15,578	1.37	27.75	23.75	.36
1981 Fiscal Year	<u>\$951,436</u>	<u>\$613,958</u>	<u>\$43,654</u>	<u>\$3.84</u>	31.25	23.75	<u>\$1.38</u>
1st (16 weeks)	\$227,621	\$146,085	\$ 8,700	\$.75	27.00	20.25	\$.33
2nd (10 weeks)	155,390	100,534	6,805	.59	26.75	21.00	.33
3rd (13 weeks)	209,738	133,731	9,200	.80	33.00	25.25	.33
4th (14 weeks)	260,640	163,333	17,752	1.54	31.75	24.00	.33
1980 Fiscal Year	<u>\$853,389</u>	<u>\$543,683</u>	<u>\$42,457</u>	<u>\$3.68</u>	33.00	20.25	<u>\$1.32</u>

The company's first quarter contains 16 weeks so as to include consistently the effect of Easter sales in that quarter. Each year's fourth quarter results reflect the significant effect that Christmas sales have on the company's overall profitability.

Edison Brothers Stores, Inc. Common Shares are listed on the New York Stock Exchange

Transfer Agent: Bradford Trust Company, New York, N.Y. 10004

Registrar: The Chase Manhattan Bank, New York, N.Y. 10015

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Regional Manager, New Orleans

PAUL FICHIERA
Vice President
Buyer, The Wild Pair

KENNETH FRENCH
Asst. Vice President
Buyer, Leased Dept. Casual Shoes

MICHAEL H. FREUND
Vice President
Merchandise Control, Accessories

DALE D. GILGER
President
Edison Direct Sales Division

MARTIN GOLDSTEIN
Asst. Vice President
Assoc. Buyer, Chandlers Dress Shoes

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Asst. Vice President
Regional Manager, San Francisco

HOWARD C. HANDEL
Asst. Vice President
Merchandise Control, Shoes

ROBERT B. HIGGINBOTHAM
Asst. Vice President
Buyer, Athletic and House Shoes

GLENN J. HOLLER
Asst. Vice President
Controller

JOSEPH HOLTZMAN
Vice President
Buyer, Leased Departments

LEONARD HUBBARD
Vice President
Store Operations/Leased Dept. Admin.

JACK HULSEY
Vice President
Divisional Sales Manager, Southwest

WILLIAM G. HUTCHISON
Asst. Vice President
Regional Manager, Chicago

E. L. JEFFRYES
Vice President
General Sales Manager

RAY JOHNSON
Asst. Vice President
Regional Manager, Houston

RALPH J. JURIS
Asst. Vice President
Regional Manager, New York City

PATRICK D. KLEVE
Vice President
Buyer, Hosiery

A. HENRY KRAMAR
Asst. Vice President
Buyer, Children's and Men's Shoes

MURRAY KRINSKY
Vice President
Divisional Sales Manager, Northeast

HY LABOVITZ
Asst. Vice President
Assoc. Buyer, Athletic and House Shoes

STUART LOCHEAD
Vice President
Store Cost Control

VINCENT J. MARCANTONIO
Asst. Vice President
Regional Manager, San Diego

JOHN P. MATHEWS
Asst. Vice President
Sales Training & Career Development

WILLIAM P. MOHR
Vice President
Creative Director

HAROLD L. MOORE
Asst. Vice President
Regional Manager, Chicago

JAMES G. MORGAN
Asst. Vice President
Assoc. Buyer, Children's and Men's Shoes

HENRY PASCH
Vice President
Buyer, Town & Country Sport Shoes

JOHN R. PAUTSCH
Asst. Vice President
Regional Manager, Los Angeles

ROBERT PIPKIN
Asst. Vice President
Shortage Controller

JACK D. PORTER
Vice President
Information Systems

NED RECCA
Vice President
Buyer, Chandlers Dress Shoes

VINCE A. ROCCO
Vice President
Divisional Sales Manager, West Coast

EDWARD ROSEN
Vice President
Buyer, Handbags

HARVEY J. ROSENBERG
Asst. Vice President
Buyer, QualiCraft Casual Shoes

NORMAN ROSENTHAL
Executive Vice President
General Merchandise Manager, Shoes

STEVE ROSENTHAL
Asst. Vice President
Buyer, The Wild Pair Women's Shoes

JAN E. ROSSBACH
Vice President
Buyer, Town & Country Sport Shoes

JAMES L. ROWEDDER
Vice President
Regional Manager, Los Angeles

GEORGE SAVAGE
Vice President
Buyer, QualiCraft Dress Shoes

RAY SEABERT
Asst. Vice President
Assoc. Buyer, QualiCraft Dress Shoes

GEORGE STARMER
Asst. Vice President
Regional Manager, Detroit

ARNOLD SUSSMAN
Asst. Vice President
Buyer, Handbags

HERBERT M. TALCOFF
Vice President
Accessories

HALLIE THOMPSON
Asst. Vice President
Store Cost Control

KENNETH C. VAUGHT
Asst. Vice President
Financial Budgeting

DICK VIAU
Asst. Vice President
Assoc. Buyer, Chandlers Casual Shoes

LES WAGNER
Vice President
Buyer, QualiCraft Casual Shoes

HOWARD H. WALLER
Vice President
Divisional Sales Manager, Southeast

WILLIAM WILLER
Vice President
Distribution Centers

HAROLD WOLF
Asst. Vice President
Buyer, Leased Dept. Dress Shoes

HANDYMAN
HOME IMPROVEMENT
CENTERS

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Administration

PHILIP FINKEL
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Regional Sales Manager, West Coast, North

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Vice President
Market Development

HENRY W. HAIMSOHN
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Sales

JOHN N. HOGARTH
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PAUL L. STUBBS, JR.
Asst. Vice President
Senior Merchandiser

FASHION
CONSPIRACY

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WAYNE B. HAAR
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Merchandise Administrator

IRV NEGER
Vice President
Merchandise Manager

TERRY L. OLTMAN
Asst. Vice President
Visual Merchandising Director

CHRISTINE L. QUINN
Vice President
General Sales Manager

ROBERT H. SHEARIN
Vice President
General Merchandise Manager

DOUG WHITEHEAD
Asst. Vice President
Information Systems

ST. LOUIS
APPAREL
GROUP

MARTIN K. SNEIDER
Chairman

NORMAN GOLD
Vice President
Controller

SIZE 5-7-9 SHOPS

MARTIN K. SNEIDER
President

HOWARD DENSON
Asst. Vice President
Divisional Merchandise Manager

CHARLES W. RAISER
Asst. Vice President
Merchandise Control

EDISON RICCA
Vice President
General Merchandise Manager

FRANK V. SCALIA
Vice President
General Sales Manager

DAN SOAIB
Asst. Vice President
Divisional Sales Manager, East

LESTER WILSON
Asst. Vice President
Divisional Sales Manager, West

JEANS WEST/
OAK TREE

MARTIN K. SNEIDER
President

CARL B. DAVENPORT
Asst. Vice President
Divisional Sales Manager, South

WILLARD FONAROW
Vice President
General Merchandise Manager

DON GLAZEBROOK
Asst. Vice President
Divisional Sales Manager, West

HAROLD E. JOHNSON
Vice President
General Sales Manager

KARL W. MICHNER
Vice President
Divisional Merchandise Manager, Oak Tree

BAKERS·OAK TREE·CHANDLERS·LEEDS·JEANS WEST
FASHION CONSPIRACY·THE HANDYMAN·THE WILD PAIR
JEANS WEST·THE WILD PAIR·SIZE 5-7-9 SHOPS·BURTS
THE HANDYMAN·JOAN BARI·JEANS WEST·OAK TREE
SIZE 5-7-9 SHOPS·FASHION CONSPIRACY·CHANDLERS
OAK TREE·LEEDS·CHANDLERS·JEANS WEST·BAKERS
THE WILD PAIR·BAKERS·SIZE 5-7-9 SHOPS·JOAN BARI
CHANDLERS·SIZE 5-7-9 SHOPS·FASHION CONSPIRACY
LEEDS·THE WILD PAIR·BURTS·BAKERS·CHANDLERS
JOAN BARI·JEANS WEST·OAK TREE·THE HANDYMAN
BURTS·FASHION CONSPIRACY·THE HANDYMAN·LEEDS
BAKERS·OAK TREE·CHANDLERS·LEEDS·JEANS WEST
FASHION CONSPIRACY·THE HANDYMAN·THE WILD PAIR
JEANS WEST·THE WILD PAIR·SIZE 5-7-9 SHOPS·BURTS
THE HANDYMAN·JOAN BARI·JEANS WEST·OAK TREE
SIZE 5-7-9 SHOPS·FASHION CONSPIRACY·CHANDLERS

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OAK TREE·LEEDS·CHANDLERS·JEANS WEST·BAKERS
THE WILD PAIR·BAKERS·SIZE 5-7-9 SHOPS·JOAN BARI
CHANDLERS·SIZE 5-7-9 SHOPS·FASHION CONSPIRACY
LEEDS·THE WILD PAIR·BURTS·BAKERS·CHANDLERS
JOAN BARI·JEANS WEST·OAK TREE·THE HANDYMAN
BURTS·FASHION CONSPIRACY·THE HANDYMAN·LEEDS
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